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Order 2004-9-19
Served: September 20, 2004



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 20th day of September, 2004

Application of

CHAUTAUQUA AIRLINES, INC.

for a certificate of public convenience and necessity under
49 U.S.C. 41102 to engage in interstate scheduled air
transportation of persons, property, and mail

Docket OST-2004-18638 - 5

FINAL ORDER

By Order 2004-9-9, issued September 8, 2004, we directed all interested persons to show cause why we should not make final our tentative findings and conclusions stated in it and award a certificate of public convenience and necessity to Chautauqua Airlines, Inc. (Chautauqua) authorizing it to engage in interstate scheduled air transportation of persons, property, and mail using large aircraft.

Interested persons were given 7 calendar days to file objections to the order.

No objections to the show-cause order were received.

ACCORDINGLY, Acting under authority assigned by the Department in its Regulations 14 CFR 385.12(a)(2):

1. We find that Chautauqua Airlines, Inc., is fit, willing, and able to engage in interstate scheduled air transportation of persons, property, and mail.
2. We issue a certificate of public convenience and necessity to Chautauqua Airlines, Inc. to engage in interstate air transportation in the form and subject to the Terms, Conditions, and Limitations attached.

3. Should Chautauqua Airlines, Inc., propose to conduct operations with more than 20 large aircraft, we direct it to notify the Department in writing at least 45 days prior to the proposed change in operations and demonstrate its fitness to conduct such operations before their commencement.¹

4. We direct Chautauqua Airlines, Inc., to submit to the Air Carrier Fitness Division a first year progress report within 45 days following the end of its first year of certificated operations.²

5. We register "America West Express," "American Connection," "Delta Connection," "United Express," and "US Airways Express" as trade names to be used by Chautauqua Airlines, Inc., in its certificated air carrier operations.

6. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order, under 14 CFR 385.30 may file their petitions within 10 days of the service date of this order.

This order is effective immediately and the filing of a petition for review shall not alter its effectiveness.

By:

RANDALL D. BENNETT
Director
Office of Aviation Analysis

*An electronic version of this document is available on the World Wide Web at:
<http://dms.dot.gov>*

¹ This limitation does not in any way limit the number of small aircraft Chautauqua may utilize in performing its operations. [Section 298.2(h) defines "large aircraft" as any aircraft designed to have a maximum capacity of more than 60 seats or a maximum payload capacity of more than 18,000 pounds.]

² The report shall include a description of the carrier's current operations (number and type of aircraft, principal markets served, total number of full-time and part-time employees), a summary of how these operations have changed during the year, a discussion of any changes it anticipates from its current operations during its second year, current financial statements, and a listing of current senior management and key technical personnel.



Certificate of Public Convenience and Necessity for Interstate Air Transportation

This Certifies That

Chautauqua Airlines, Inc.

is authorized, subject to the provisions of Subtitle VII of Title 49 of United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in interstate air transportation of persons, property, and mail.

This Certificate is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

*Issued by Order 2004-9-19
On September 20, 2004
Effective on (see attached)*

*Randall D. Bennett
Director,
Office of Aviation Analysis*



Terms, Conditions, and Limitations

CHAUTAUQUA AIRLINES, INC.

is authorized to engage in interstate air transportation of persons, property, and mail between any point in any State, territory, or possession of the United States or the District of Columbia, and any other point in any of those entities.

This authority is subject to the following provisions:

(1) The authority to operate under this certificate will not become effective until six (business) days after the Department has received the following documents; provided, however, that the Department may stay the effectiveness of this authority at any time prior to that date:

(a) A copy of the holder's Air Carrier Certificate and Operations Specifications authorizing such operations from the Federal Aviation Administration (FAA).

(b) A certificate of insurance on OST Form 6410 evidencing liability insurance coverage meeting the requirements of 14 CFR 205.5(b) for all of its aircraft.

(c) A statement of any changes the holder has undergone in its ownership, key personnel, operating plans, financial posture, or compliance history, since the date of the Show Cause Order in this case.

(d) A revised list of pre-operating expenses already paid and those remaining to be paid, as well as independent verification that the holder has available to it funds sufficient to cover any remaining pre-operating expenses.

(2) When the authority contained in this certificate becomes effective, it shall remain so only so long as the holder remains a wholly owned subsidiary of Republic Airways Holding, Inc.

(3) When the authority contained in this certificate becomes effective, the scheduled passenger authority contained herein will be limited to operations performed under a fee-for-service agreement with United Air Lines, Inc., or a similar agreement with another major U.S. air carrier.

(4) The holder shall at all times conduct its operations in accordance with the regulations prescribed by the Department of Transportation for the services authorized by this certificate, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.

(5) *The holder's authority under this certificate is effective only to the extent that such operations are also authorized by the Federal Aviation Administration (FAA), and comply with all U.S. Government requirements concerning security.**

(6) *The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).*

(7) *The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render a certificate ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this certificate.*

(8) *The holder is authorized to conduct charter flights in interstate and/or foreign air transportation in accordance with the provisions of 14 CFR 212.*

(9) *In the event that the holder receives effective scheduled passenger authority, the following additional conditions will apply:*

(a) *The holder may reduce or terminate service at any point or between any two points, subject to compliance with the provisions of 49 U.S.C. 41734 and all orders and regulations issued by the Department of Transportation under that section.*

(b) *The holder may not provide scheduled passenger air transportation to or from Dallas (Love Field), Texas, except within the limits set forth in section 29 of the International Air Transportation Competition Act of 1979, as amended by section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1998.*

(10) *Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(l)), it must first comply with the requirements of 14 CFR 204.5.*

(11) *In the event that the holder does not commence actual flying operations under this certificate within one year of the date of the Department's determination of its fitness, its authority shall be revoked for dormancy, unless the holder is conducting operations under another type of certificate authority. Further, in the event that the holder commences operations for which it was found "fit, willing, and able" and subsequently ceases all such operations, its authority under all certificates held shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.*

* To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its Principal Security Inspector (PSI) to advise the PSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served.

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